

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

REPORT OF ENGINEER

Olympia, December 2, 1969

BCWSF
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8-14-1970

To the Honorable Commissioner of Public Lands, Olympia, Wash.:

SIR: I herewith submit the following report on Application No. HA 2141 by John B. Verhelst, 4310 Kitsap Way, Bremerton, Washington, 98310, to re-lease the harbor area in front of Tracts 1 and 11, and intervening Renn Stroll, Supplemental Plat of Bay View Garden Tracts, in Government Lot 7, Section 11, and Government Lot 1, Section 14, Township 24 North, Range 1 East, W.M., located in the City and Port of Bremerton, in Kitsap County.

The desired lands were last included in Harbor Area Lease No. 1783 issued to John B. Verhelst for a term of 10 years from December 8, 1959, at an annual rental of \$120.00 for the entire term of the lease under Application No. HA 1783.

The Port of Bremerton, by letter dated November 13, 1969, recommends that a re-lease be granted to the applicant.

The 1968 valuation of the desired harbor area as supplied by the County Assessor, was \$2000.00.

In accordance with Section 3, Chapter 97, Session Laws of 1969, First Extraordinary Session, the Department of Natural Resources shall determine the true and fair value of harbor areas for the purpose of fixing the annual rental to be paid for such harbor area leases.

The exhibits brought forward to apply on former Application No. HA 1783 have been brought forward to apply on this application.

The applicant states that the lands are wanted for a maximum term and that he is the owner of the abutting tidelands, and that no additional improvements have been placed on the desired lands.

The description follows:

All harbor area lying in front of Tracts 1 and 11 and intervening Renn Stroll, Supplemental Plat of Bay View Garden Tracts in Government Lot 7, Section 11, and Government Lot 1, Section 14, Township 24 North, Range 1 East, W.M., lying between two lines produced at right angles across

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December 2, 1969

the harbor area to the outer harbor line, one passing through the meander corner of said Sections 11 and 14, and the other through the point of intersection of the west line of said Tract 11 with the inner harbor line, as shown on the official maps of Bremerton Tide Lands on file in the office of the Commissioner of Public Lands at Olympia, Washington.

Approximate Dimensions

Length along outer harbor line - - - - -	430 feet
Length along inner harbor line - - - - -	472.5 feet
Average width - - - - -	190 feet
Area - - - - -	1.88 acres

Respectfully submitted,

M. E. BOWLER, P.E.
Supervisor
Civil Engineering Division

MWH:mr
App. No. HA 2141
ANH JOT

Ralph Beswick - Surveys and Marine
Land Management Division
Jerry Otto - Port Orchard

July 31, 1970

App. #2141 - Harbor Area

During the inspection of Application #2141 by John B. Verhelst, 4310 Kitsap Way, Bremerton, Washington, 98310, to re-lease the harbor area described in the attached Report of Engineer, several facts were discovered. I'd like to make you aware of these before I make a recommendation as to whether or not the re-lease should be made.

Mr. Verhelst, Lessee in the above described lease, has been in control of the lease area for about the past 11 years. He acquired the lease when he purchased the uplands adjacent to the subject lease. These lands and the original lease were previously owned and controlled by the Western Gas Co.

The Western Gas Company had built a dock for receiving materials they used in their production work. Since they sold out to Mr. Verhelst there has been no further improvements on the harbor area or the uplands.

Adjacent to Mr. Verhelst's upland ownership, is located the Bremerton Marine Service. This local business has been operating since 1950 and provides moorage space for boats in the Bremerton Area. Mr. Vern Carey of 1805 Thompson Drive, Bremerton, is the owner and operator.

Mr. Carey has tried to lease the harbor area adjacent to his but has not been able to since Mr. Verhelst has had it tied up.

While talking to Mr. Carey he said he wants the adjacent harbor area to expand his moorages. He is ready, financially, to provide 60 to 70 more spaces and increase his motor repair service.

Bremerton has little space for mooring boats. The area on Sinclair Inlet is now full and further development is not likely because of the large waves produced from frequent ferry and ship travel.

Since Mr. Verhelst has hung onto this area, possibly for speculation purposes, and has made no improvements on it, I'd like to see the application to re-lease refused. The annual rental paid thus far by Mr. Verhelst has been \$120.00. If this lease was given to the Bremerton Marine Service improvements would be made and therefore the State of Washington would be able to greatly increase its lease fee. Another favorable item consequent to this change would be that the high number of boating enthusiasts in the Bremerton area would receive well needed moorage services.

If this approach is not used I would then recommend an annual lease fee, on the subject harbor area, to be in the \$800.00 to \$900.00 per year area. Mr. Verhelst is, by reputation, amply able to develop this area. It is our belief that he has held onto this lease for speculation purposes. Being under the jurisdiction of the State of Washington it should be our place to speculate for the purpose of increased revenue for this state.

I will hold up this application inspection until I receive a reply.

Thanks .

JO:meh
cc: Norm Hansen
Encl.

RECEIVED

FEB 8 1971

STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES
BERT L. COLE, Commissioner of Public Lands

No.

LEASE AND BOND OF HARBOR AREAS

APPLICATION NO. HA 2141

LEASE NO. HA-2141

STATE OF WASHINGTON, COUNTY OF THURSTON, ss.

THIS INDENTURE, Made this 8th day of December, A. D., 1969,
by and between the STATE OF WASHINGTON, party of the first part, Lessor, and _____
JOHN B. VERHELST, party _____ of the second part,
Lessee _____.

WITNESSETH, That the State of Washington, Lessor, does hereby lease, demise and
let unto said party _____ of the second part the following described harbor area, situate in
the State of Washington, County of Kitsap, to wit:

All harbor area lying in front of Tracts 1 and 11 and Intervening Renn
Stroll, Supplemental Plat of Bay View Garden Tracts in Government Lot 7,
Section 11, and Government Lot 1, Section 14, Township 24 North, Range 1
East, W. M., lying between two lines produced at right angles across the
harbor area to the outer harbor line, one passing through the meander corner
of said Sections 11 and 14, and the other through the point of intersection
of the west line of said Tract 11 with the inner harbor line, as shown on
the official maps of Bremerton Tide Lands on file in the office of the
Commissioner of Public Lands at Olympia, Washington.

To have and to hold for the term of ten years from the date of this
instrument, for the purpose of building and maintaining upon the above described harbor
area, wharves, docks and other structures for the convenience of navigation and commerce.

This lease is executed in consideration of the covenants herein contained and of
the payment annually in advance of the amount of \$ 338.40 which represents
6 per cent of the true value of \$ 5,640.00 of the harbor area for the
first five-year period of the ten year lease in accordance with the provisions
of Chapter 97, Laws of 1969, 1st Ex. Sess., as now existing or as hereafter amended.

The Department of Natural Resources, at the end of the first five (5) year period, from the date hereof and at the end of each subsequent five (5) year period of the lease term shall determine the true value in money of the herein described harbor area, exclusive of the improvements thereon unless the improvements are state owned in which case they shall be included, which value shall be the value at which the property would be taken in payment of a just debt from a solvent debtor and such valuation shall be utilized in the computation of rental for the five (5) year period following.

The State of Washington shall have the right to regulate, either under rules established by the Department of Natural Resources, or by legislative enactment, or by both methods, maintenance and design requirements of all improvements, the rates of wharfage, dockage and other tolls, to be imposed by the Lessee____ upon commerce for any of the purposes for which said leased harbor area may be used, and to change such regulations and rates from time to time, and the right to prevent by such means and in such manner as it may adopt, extortion, discrimination, unequal or exclusive privileges, and to cancel this lease for the violation of any law, rule, regulation or order governing the same.

The State of Washington shall have the power by the Department of Natural Resources to terminate this lease upon a breach of any of its conditions by the Lessee____ or for the failure or refusal of the said Lessee____ to erect, within a reasonable time hereafter, and continuously to operate and maintain in and upon the above described harbor area the wharves, buildings or other structures described and represented in the exhibits of improvements proposed to be erected therein by said Lessee____, which have heretofore been filed with the Department of Natural Resources, or as altered with the consent and approval of said Department entered upon its' records.

Upon expiration or termination of this lease without renewal or re-lease by the Lessee of any portion of the harbor area described herein containing improvements, all such improvements shall belong to the State.

The State of Washington reserves unto itself, port district, county, city or other public agency in the territory where the portion of the harbor area described in this lease is located, the right to assume and thereafter hold this lease upon acquirement of the tidelands contiguous thereto and fronting thereon, without any value for said lease except for improvements thereon.

The Lessee_____ shall not make or suffer to be made any artificial filling in of said leased area or any deposit of rock, earth, ballast, refuse, garbage or other matter within such area, except as provided by law or as approved in writing by the Department of Natural Resources.

If the said Lessee_____ shall fail to pay to the State the rental hereinbefore provided on the date when the same is due, or within sixty days thereafter, the Department of Natural Resources may declare this lease terminated and all rights or claims of the said Lessee_____ under this lease in and to the said area or in or to any improvement therein or thereon, shall immediately thereupon vest in the State of Washington.

The Lessee_____ herein shall not sub-let or assign the whole or any part of said leased area except upon the written permission of the Department of Natural Resources.

All the conditions and covenants set forth in this indenture are declared to be of the essence of the contract, and a breach of any one is a breach of the whole.

Executed in duplicate this day and year above written.

THE STATE OF WASHINGTON
DEPARTMENT OF NATURAL RESOURCES

By

Bert L. Cole
BERT L. COLE
Commissioner of Public Lands
Administrator

John B. Verhelst
JOHN B. VERHELST

Lessee

P. O. Address 4310 Kitsap Way

Bremerton, WA 98310

OF READ am

pp. No. HA 2141

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Bremerton, Washington
August 14, 1970

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AUG 17 1970

Dept. of Natural Resources
Land Management and Marine Surveys Division
P.O. Box 168
Olympia, Washington.

Dear Sirs:

We are now operating a boat moorage on a Harbor Lease from the State, application # 1974; under the name of the Bremerton Marine Service. This business has been in continuous operation for over 30 years under the same name. Started by a Mr. Hanson who obtained the first lease from the State then later by a Francis Hugg who we bought the business from in 1950 and about a year later bought the leasehold from Mr. Hanson. We have operated the moorage continuously since that date.

We are the only public moorage in the vicinity of Bremerton and have the only sheltered mooring area that is available anywhere in the Bremerton area. There is an urgent need for additional moorages near Bremerton, and as stated before this is the only sheltered area available. However, to expand the moorage, more space is necessary.

The Richfield Oil Co. has a dock with two pipelines running overhead for the unloading of fuel and gas from barges to their bulk plant on the uplands to the south of the Harbor Area. Several years ago we gave this company a portion of our Harbor lease on the east side with the stipulation that we sublease it back from them and continue to operate the boat moorage on the water level below their overhead pipelines. This arrangement has worked satisfactorily for both parties every since then and is still in effect.

The Harbor Area immediately to the east of the portion of the Harbor Area we gave to Richfield Oil Co. was originally leased by the Western Gas Co. for the purpose of maintaining a barge unloading operation. Their gas manufacturing plant was directly above their Harbor Lease and they brought in barges of coal and offloaded it to a coal yard on the bank above the barges. Since the gas company has discontinued this method of making gas, have in fact sold out to the Cascade Gas Co. who pipe gas into this area, the Harbor Lease has not been used for any purpose what so ever. In fact the pileings and dolphins they had are deteriorated to the extent they cannot be used for any purpose any more.

This Harbor Lease was acquired from them by a Mr. John Verhelst who had purchased a lot fronting on the west portion of the former Gas Co. lease. He has not made any use of the area at any time, although he has had the lease for over ten years. It is just there the same as it was at the time he acquired it.

If it is possible for us to acquire this Harbor Area Lease from the State it would allow us the neccessary room for expanding and provide sixty to seventy badly needed moorages for the Bremerton area. An apartment complex of seventy three apartments is being completed on the shore directly adjoining the Harbor lease we now have and this alone will generate the need for quite a few additional moorages. We would also be able to greatly improve the access to the present moorages.

Please give this matter your consideration and if found acceptable to do so please send us an application for the leasing of this harbor area with the neccessary identifying numbers.

Very truly yours

Vern Carey

Vern & Willa Carey
Bremerton Marine Service
1805 Thompson Dr.
Bremerton, Washington

Copy to: Mr. Jerry Otto
Dept. of Natural Resources
Post Office ~~Box~~ Drawer F
Port Orchard, Washington

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